



Refurbishment buy to let

The complete guide

0800 116 4385

[precisemortgages.co.uk](https://www.precisemortgages.co.uk)



Our refurbishment buy to let proposition offers your customer the best of both worlds when financing a refurbishment project - the flexibility of bridging finance with the security of a long term mortgage once the property has been refurbished.



Bridging finance

Buy to let mortgages

Up to 75% LTV	Maximum LTV	Up to 75% LTV
6 months	Maximum term	35 years
Minimum: £50,000 Maximum: £1,000,000	Loan amount	Minimum: £40,000 Maximum: £3m (£1m HMO)
£75,000 (£100,000 in London) HMOs: £100,000 (£250,000 in London)	Minimum property value	£50,000 (£150,000 in London) HMOs: £100,000 (£250,000 in London)
0.49% per month	Rates from	3.14%

Key features

- ▶ We offer the surety of an exit onto a buy to let mortgage at the time of application (providing there is no change in circumstances and the property meets the expected valuation following refurbishment).
- ▶ Our underwriters will be on hand to help throughout the process, from keying the case for you, through to offering you expert assistance when you need it.
- ▶ The buy to let mortgage product chosen will remain available whilst the buy to let mortgage offer is valid, allowing customers the security of knowing what their monthly repayments will be once the refurbishment is complete.
- ▶ No mortgage repayments required whilst works are being completed.
- ▶ One application which we'll key for you, one valuer for both the bridging finance and the buy to let, one conveyancer and two procuration fees.

Ideal for:

- Properties needing works to meet minimum EPC rating, such as boiler replacement.
- Properties purchased at auction that require light refurbishment to be acceptable for mortgage purposes.
- Landlords choosing to refurbish in order to maximise the rental yield of their property.
- Landlords looking to change the use of a garage or loft to a habitable room.
- Landlords looking to change the use of a property to, or from, a small HMO (maximum 6 bedrooms).

Customers must be confident they can complete any refurbishment work within the buy to let offer validity period (6 months from the initial valuation).

Properties where the proposed works require would be classed as heavy refurbishment are not currently accepted.



Our simple two-step calculator will indicate to you how our refurbishment buy to let product works, [click here to view](#).

How it works

- 1



Contact

Call our refurbishment buy to let underwriters on 0800 116 4385 to discuss how we can help your customer.

- 2



Application

Review the refurbishment buy to let products on the next page to select the most suitable product for your customer, then simply complete our application pack. We'll then contact you to discuss your application.

- 3



Initial assessment

Our team will key the application, saving you valuable time. We'll make an assessment of the case and issue a mortgage illustration based on your customer's product selection and also let you know of any additional information we may need.

- 4



Valuation

Once the customer is happy they can pay the valuation fee and we'll instruct the inspection. We give your customer the surety of an exit providing there is no change in circumstances and the property meets the expected post works valuation.

- 5



Offers

We'll issue two offers; one for bridging finance and one for the buy to let mortgage. The bridging offer will be valid for 3 months and the buy to let mortgage offer for 6 months from the date of the initial valuation.

- 6



Bridge completes

Funds are released and works on the property can commence.

- 7



Re-inspection

You can contact us when the property is ready to be inspected by the valuer. Works should be completed within the buy to let offer validity period (6 months from the initial valuation). No additional fee is payable as this is included in the original fees.

- 8



Completion

If the valuation is returned as expected and there are no changes the case will complete on the buy to let mortgage and the bridging finance will be repaid.

Products

REFURBISHMENT



Bridging finance

	50% LTV	65% LTV	70% LTV	75% LTV	Facility fee/product fee
Bridging element (all rates are per month)	0.49%	0.59%	0.69%	0.75%	0.75%



Once refurbishment is complete, buy to let exit:



BUY TO LET EXIT



Buy to let mortgages - Tier 1

Acceptable adverse	Loan amount/LTV limits
Defaults: 0 in 72 months CCJs: 0 in 72 months Missed mortgage/secured payments: 0 in 36 months Unsecured loan arrears: 1 in 12 months, 2 in 36 months (worst status)	Minimum loan size: £40,000 Maximum loan size: £3,000,000 - 60% £1,000,000 - 70% £750,000 - 75%

LTV	Product type	Rate	Product fee	ERC	Reversion rate	Assessment rate*	Product code
75%	2 year fixed	3.14%	2.00%	4% in year 1, 3% in year 2	BBR + 5.40%	5.65%	RBM06 (CORE)
							RBM08 (LTD CO)
	5 year fixed	3.49%		4% in years 1 and 2 3% in years 3 and 4 2% in year 5		3.49%	RBM07 (CORE)
							RBM09 (LTD CO)

All buy to let mortgage products feature a **refund** of the bridging finance redemption administration fee of **£114**.

*Assessment rate
Short-term fixed rates: Higher of pay rate +2%, or reversion rate, minimum 5.50%
5 year+ fixed rates: Pay rate

BUY TO LET EXIT



Buy to let mortgages - Tier 2

Acceptable adverse	Loan amount/LTV limits
Defaults: 0 in 24 months CCJs: 0 in 24 months Missed mortgage/secured payments: 0 in 36 months Unsecured loan arrears: 1 in 12 months, 2 in 36 months (worst status)	Minimum loan size: £40,000 Maximum loan size: £1,000,000 - 70% £750,000 - 75%

LTV	Product type	Rate	Product fee	ERC	Reversion rate	Assessment rate*	Product code
75%	2 year fixed	3.24%	2.00%	4% in year 1, 3% in year 2	BBR + 5.40%	5.65%	RBM14 (CORE)
							RBM16 (LTD CO)
	5 year fixed	3.59%		4% in years 1 and 2 3% in years 3 and 4 2% in year 5		3.59%	RBM15 (CORE)
							RBM17 (LTD CO)

All buy to let mortgage products feature a **refund** of the bridging finance redemption administration fee of **£114**.

***Assessment rate**

Short-term fixed rates: Higher of pay rate +2%, or reversion rate, minimum 5.50%

5 year+ fixed rates: Pay rate

BUY TO LET EXIT



Buy to let mortgages HMO - Tier 1

Acceptable adverse	Loan amount/LTV limits
Defaults: 0 in 72 months CCJs: 0 in 72 months Missed mortgage/secured payments: 0 in 36 months Unsecured loan arrears: 1 in 12 months, 2 in 36 months (worst status)	Minimum loan size: £40,000 Maximum loan size: £1,000,000 - 70% £750,000 - 75%

LTV	Product type	Rate	Product fee	ERC	Reversion rate	Assessment rate*	Product code
75%	2 year fixed	3.44%	2.00%	4% in year 1, 3% in year 2	BBR + 5.40%	5.65%	RBM10 (HMO)
							RBM12 (LTD CO HMO)
	5 year fixed	3.74%		4% in years 1 and 2 3% in years 3 and 4 2% in year 5		3.74%	RBM11 (HMO)
							RBM13 (LTD CO HMO)



Buy to let mortgages HMO - Tier 2

Acceptable adverse	Loan amount/LTV limits
Defaults: 0 in 24 months CCJs: 0 in 24 months Missed mortgage/secured payments: 0 in 36 months Unsecured loan arrears: 1 in 12 months, 2 in 36 months (worst status)	Minimum loan size: £40,000 Maximum loan size: £1,000,000 - 70% £750,000 - 75%

LTV	Product type	Rate	Product fee	ERC	Reversion rate	Assessment rate*	Product code
75%	2 year fixed	3.54%	2.00%	4% in year 1, 3% in year 2	BBR + 5.40%	5.65%	RBM18 (HMO)
							RBM20 (LTD CO HMO)
	5 year fixed	3.84%		4% in years 1 and 2 3% in years 3 and 4 2% in year 5		3.84%	RBM19 (HMO)
							RBM21 (LTD CO HMO)

All buy to let mortgage products feature a **refund** of the bridging finance redemption administration fee of **£114**.

***Assessment rate**

Short-term fixed rates: Higher of pay rate +2%, or reversion rate, minimum 5.50%

5 year+ fixed rates: Pay rate

Fees

Payable at initial application:

	Purchase price or estimated value (up to)	Refurbishment buy to let	HMO refurbishment buy to let
Valuation fees	£100,000	£515	£750
	£150,000	£550	£750
	£200,000	£585	£765
	£300,000	£610	£835
	£400,000	£635	£895
	£500,000	£680	£955
	£600,000	£730	£1,020
	£700,000	£780	£1,080
	£800,000	£835	£1,190
	£900,000	£890	£1,265
	£1,000,000	£985	£1,335
	£1,000,000 plus	Contact us	Contact us

The valuation fees detailed above include a £250 valuation assessment fee and cover the initial valuation and one re-inspection once the works are complete.

Once a valuation has been carried out the valuation fee is non-refundable. In all instances the valuation will be carried out on behalf of Precise Mortgages. All of the valuation fees above are inclusive of VAT (where applicable).



Payable at completion of the bridging finance:

- Facility fee/product fee: **0.75%**
- Refurbishment assessment fee: **£295**
- Telegraphic transfer fee: **£25**



Payable at completion of the buy to let mortgage:

- Bridging finance redemption administration fee: **£114**
- This fee is then refunded as a cashback as part of the buy to let mortgage product
- Buy to let mortgage product fee: **varies by product**

Conveyancers

We work with conveyancers who have a thorough understanding of the speed and service requirements for refurbishment buy to let transactions and are available to act on both the bridging loan and buy to let mortgage.

The following conveyancers may be able to offer a discount on fees, please contact them for further information.

England and Wales

Blacks Solicitors LLP	01132 070000	www.lawblacks.com	City Point, 29 King Street, Leeds, LS1 2HL
Goldsmith Williams-Gwlegal	0345 373 3737	gw.legal	GWlegal, 4th Floor, 20 Chapel Street, Liverpool, L3 9GW
Gordons Property Lawyers	01628 308380	www.gplawyers.co.uk	SC House, Vanwall Road, Maidenhead, Berkshire, SL6 4UB
JMW	03458 726666	www.jmw.co.uk	1 Byrom Place, Manchester, M3 3HG
Lightfoots	01844 212305	www.lightfoots.co.uk	1-3 High Street, Thame, OX9 2BX
Ratio Law	01614 649540	www.ratiolaw.co.uk	Hanover House, 30-32 Charlotte Street, Manchester, M1 4FD

Scotland

Aberdein Considine	0333 0066113	www.acandco.com	7 - 9 Bon Accord Crescent, Aberdeen, AB11 6DN
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Get in touch with our intermediary support team

 0800 116 4385 9am to 6pm, Mon to Fri

 0800 131 3180

  Follow us

 enquiries@precisemortgages.co.uk

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We can provide literature in large print, Braille and audio tape. Please ask us for this leaflet in an alternative format if you need it.

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